



HARMONIZED SYSTEM
REVIEW SUB-COMMITTEE

NR0216E1

-
25th Session
-

O. Fr.

Brussels, 8 January 2002.

POSSIBLE AMENDMENTS TO THE NOMENCLATURE IN ORDER TO UPDATE
THE TERMINOLOGY OF CERTAIN PRODUCTS AND TO DELETE OBSOLETE ITEMS

(Item III.A.6 on Agenda)

Reference documents :

NR0149E1 (RSC/23)
NR0165E2, Annex D/1 (RSC/23 – Report)
NR0175E1 (RSC/24)
NR0205E2, Annex C/7 (RSC/24 – Report)

I. BACKGROUND

1. At its 24th Session, the Review Sub-Committee examined possible amendments to the Nomenclature in order to update the terminology of certain products and to delete obsolete items.
2. Regarding the amendment of heading 85.20, the Sub-Committee decided to retain existing subheading 8520.20 and to re-examine the question at the present session, on the basis of the latest trade data and a new document setting out the amended Secretariat proposal, **Canada's** alternative text and possible proposals by the **United States** or any other Contracting Party.
3. With regard to the amendment of heading 85.24, it likewise decided that the question should be reviewed at the present session, in the light of the changes agreed in the meeting (substitution of "discs" for "records" in the English version of the heading text and deletion of subheading 8524.10) and of certain concerns expressed by delegates regarding the structure of the heading. Administrations were invited to submit their proposals to the Secretariat.

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II. SECRETARIAT COMMENTS

4. At the time of preparing this document, apart from the Moroccan Administration, which supported the Secretariat's proposal for the amendment of heading 85.20 on page 2 of Doc. NC0175E1 and expressed a preference, where heading 85.24 was concerned, for the maintenance of the *status quo*, and the South African Administration, which noted that there was still significant trade under heading 85.20, in both imports and exports, no other administration had submitted proposals concerning amendments to headings 85.20 and 85.24 of the Harmonized System envisaged for 2007.
5. With regard to heading 85.20, the Canadian alternative submitted at the meeting takes account of so-called advanced technology apparatus, more particularly digital audio tape and MP3 appliances. The Sub-Committee will probably prefer to await the final decision on this apparatus to be taken by the Harmonized System Committee at its next session before ruling on the Canadian alternative. The Secretariat has therefore left this proposal in square brackets, together with the proposal it submitted at the 24th Session, which now takes into account the changes made by the Sub-Committee. The two proposals are reproduced at Annex I to this document.
6. As requested by the Sub-Committee, the Secretariat has included, in Annex II, the UNSD's latest trade data on subheadings 8520.32, 8520.33, 8520.39 and 8520.90.
7. With reference to heading 85.24, the Secretariat still holds the view it expressed in Docs. NR0149E1 and NR0179E1 and believes that, on the basis of the information currently available, the structure already approved by the Sub-Committee could meet the concerns about the need to improve this heading. Its investigations have failed to turn up any new information on the apparatus currently classified in subheadings 8524.31, 8524.32 and 8524.91. The new structure of heading 85.24, as approved by the Sub-Committee, is reproduced between square brackets in Annex III and the Secretariat must leave it to the Sub-Committee to determine whether any further changes are needed.

III. CONCLUSION

8. The Sub-Committee is invited to examine the proposals for the amendment of headings 85.20 and 85.24 and their structured nomenclatures in Annexes I and III to this document, in the light of the Secretariat comments set out above.

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Annex I

CANADIAN PROPOSAL

[**" 85.20 Sound recording apparatus, whether or not incorporating a sound reproducing device.**

- 8520.20 - Telephone answering machines
- Other sound recording apparatus, incorporating s sound reproducing device :

- 8520.51 -- Non-digital audio tape type
- 8520.52 -- Digital audio tape type
- 8520.53 -- With a laser reading system
- 8520.54 -- With a built-in or removable memory
- 8520.59 -- Other
- 8520.90 - Other"]

OR

[**" – Other :**

- 8520.91 -- Laser reading system type
- 8520.92 -- Built-in or removable memory type
- 8520.99 -- Other"]

SECRETARIAT PROPOSAL

"[85.20 Sound recording apparatus, whether or not incorporating a sound reproducing device.

8520.20 - Telephone answering machines

8520.40 - Other, with a laser reading system

- Other sound recording apparatus incorporating a sound reproducing device

8520.51 -- Digital audio type

8520.52 -- Other, cassette-type

8520.59 -- Other

8520.90 - Other"]

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Annex II

STATISTICAL DATA PROVIDED BY UNSD

In thousands of US dollars

HS heading	2000	1999	1998	1997	1996
8520.32	149,203,000	147,357,000	160,375,034	195,733,544	218,046,871
8520.33	663,424,000	674,442,000	728,557,455	892,753,663	912,899,494
8520.39	64,248,000	75,958,000	82,103,043	84,447,416	92,203,284
8520.90	1,178,873,00	906,197,000	652,713,528	424,996,204	315,525,963
TOTAL	2,055,748,000	1,803,954,000	1,623,749,060	1,597,930,827	1,538,675,612

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Annex III

["85.24 Discs, tapes and other recorded media for sound or other similarly recorded phenomena, including matrices and masters for the production of discs, but excluding products of Chapter 37.

- Discs for laser reading systems :
 - 8524.31 -- For reproducing phenomena other than sound or image
 - 8524.32 -- For reproducing sound only
 - 8524.39 -- Other
 - 8524.40 - Magnetic tapes for reproducing phenomena other than sound or image
 - Other magnetic tapes :
 - 8524.51 -- Of a width not exceeding 4 mm
 - 8524.52 -- Of a width exceeding 4 mm but not exceeding 6.5 mm
 - 8524.53 -- Of a width exceeding 6.5 mm
 - 8524.60 - Cards incorporating a magnetic stripe
 - Other :
 - 8524.91 -- For reproducing phenomena other than sound or image
 - 8524.99 -- Other"]